

May 26th 2023 Submission Updates to Recology's Initial Refuse Rate Change Request (Submitted March 7th, 2023)

Updates received by the Refuse Rate Administrator 5/26/23 – 6/02/23

This document includes all non-confidential refuse rate change request submission files which Recology has provided to the Refuse Rate Administrator (RRA) during the week of 5/26/23 – 6/02/23 in response to the RRA's ongoing review and requests. The RRA plans to post additional submissions on a weekly basis as they are received.

Recology submitted the following items and exhibits during the week of 5/26/23 – 6/02/23:

- Customer Call Tracking Report 2022
- Residential Waste Collection Revenue and Other Revenue Details
- Extraordinary Service Fund Proposal
- Reconciliation of RSF Expenses

***Recology Golden Gate and Recology Sunset scavenger**
***Customer Communication Tracking**
January 1 through December 31, 2022

Description	January - June				July - December				Annual			
	Residential	Commercial	Apartment	Total	Residential	Commercial	Apartment	Total	Residential	Commercial	Apartment	Total
Bin Not Emptied Completely	241	76	39	356	261	82	65	408	502	158	104	764
Bin Missing	3,240	2,873	545	6,658	2,799	2,900	522	6,221	6,039	5,773	1,067	12,879
Bin Needs Repair/Replacement	627	159	120	906	502	119	112	733	1,129	278	232	1,639
Crew Damaged Property	1	-	-	1	1	1	1	3	2	1	1	4
Mess Left From Pickup	52	8	10	70	-	1	1	2	52	9	11	72
Customer Not Serviced Due To Access Issues	42	519	145	706	81	470	179	730	123	989	324	1,436
Rate Question	114	21	8	143	4	2	1	7	118	23	9	150
Noise	47	67	88	202	69	104	138	311	116	171	226	513
Missed Pickup	8,742	4,781	3,322	16,845	10,682	6,158	4,589	21,429	19,424	10,939	7,911	38,274
HHW Inquiries	172	50	9	231	127	32	12	171	299	82	21	402
TOTAL Communications Received	13,278	8,554	4,286	26,118	14,526	9,869	5,620	30,015	27,804	18,423	9,906	56,133

Total Weekdays	129	131	260
Calls Per Weekday	202	229	216
Total Number of Accounts	162,333	162,503	162,418
Communications/Account/Week	0.62%	0.71%	0.66%

Waste Collection Revenue Detail (Schedule C-2 - client accounting basis)	FYE 19/20/2022 Actual														Revenue	Remarks
	Number of Bins by Days of Pickup per Week							Monthly Rates								
	1	2	3	4	5	6	7	1	2	3	4	5	6	7		
Commercial (Multiple units/units)																
Apartment (5 units or less)																
Residential (5 units or less)																
Recycling																
Component																
Apartment (6 units to 200 units)																
Residential (6 units to 200 units)																
Recycling																
Component																
Apartment (201 units to 500 units)																
Residential (201 units to 500 units)																
Recycling																
Component																
Apartment (501 units to 1000 units)																
Residential (501 units to 1000 units)																
Recycling																
Component																
Apartment (1000+ units)																
Residential (1000+ units)																
Recycling																
Component																

Note:
Source: levels based on data run as of September 30, 2022 (Singapore in time).
Revenue is extrapolated from September 30, 2022 for fiscal year 2022.

Residential - 5 units or less		
Trash	\$ 23,013,127	(A)
Recycling	\$ 19,877,961	(B)
Component	\$ 11,909,041	(C)
Other Revenue and offsets	\$ 99,872	Agrees to Schedule (2) on tab C.1 of this schedule
Total	\$ 54,899,001	Agrees to AS400 Discount Codes
Apartment - 5 units or less	\$ 568,719	
Residential - 5 units or less	\$ 32,669,281	Agrees to tab C.1 of the Rate Model submission
Total	\$ 55,467,720	
Variance	\$ (668,719)	

Apartment - 6 - 500 Units		
Trash	\$ 33,139,762	(A)
Recycling	\$ 29,328,462	(B)
Component	\$ 5,472,249	(C)
Other Revenue and offsets	\$ 12,168,222	Agrees to Schedule (2) on tab C.1 of this schedule
Total	\$ 78,108,695	Agrees to tab C.1 of the Rate Model submission
Apartment - 6 - 500 Units	\$ 78,108,695	
Total	\$ 156,576,415	
Variance	\$ (808,695)	

Other Ratepayer Revenue <i>Schedule C.3 <insert accounting basis></i>	RYE 9/30/2022 Actual		Tickmark
	Units (Occurence)	Revenue	
Total			
Base Charge	304,968	\$ 42,593,316	
Distance	-	\$ 8,269,560	
Elevation	-	\$ 3,157,032	
Access	50,925	\$ 7,833,408	
Special Service Charges	-	\$ -	
Credits	-	\$ (26,133,930)	
Rebates	-	\$ -	
Other Charges	-	\$ 1,884,840	
Refund to Customer	-	\$ -	
Total	355,893	\$ 37,604,226	Sum of [1][2]
Commercial			
Base Charge			
Distance			
Elevation			
Access			
Special Service Charges			
Credits			
Rebates			
Other Charges			
Refund to Customer			
Total			
Residential - 5 units or less			
Base Charge	178,402	\$ 34,462,584	
Distance	-	\$ 2,530,944	
Elevation	-	\$ 479,496	
Access	16,299	\$ 1,446,324	
Special Service Charges	-	\$ -	
Credits	-	\$ (436,188)	
Rebates	-	\$ -	
Other Charges	-	\$ 1,489,188	
Refund to Customer	-	\$ -	
Total	194,701	\$ 39,972,348	[1]
Apartment - 6 - 599 Units			
Base Charge	126,566	\$ 8,130,732	
Distance	-	\$ 5,738,616	
Elevation	-	\$ 2,677,536	
Access	34,626	\$ 6,387,084	
Special Service Charges	-	\$ -	
Credits	-	\$ (25,697,742)	
Rebates	-	\$ -	
Other Charges	-	\$ 395,652	
Refund to Customer	-	\$ -	
Total	161,192	\$ (2,368,122)	[2]

Extraordinary Service Fund

Our understanding of the proposal to create a new extraordinary service fund is that it is intended to pay for requests for service from City departments not included in the rate order.

We have included some suggested parameters for operation and administration of the Fund:

- Requests for funding should not include services normally billed to a customer, including City Departments
- Recology to deposit to the Fund, in monthly installments, an amount equal to 0.2% of actual Net Revenue Retained of Recology Sunset Scavenger and Recology Golden Gate, as reported in Table 6 of the quarterly and annual rate report for each rate year (\$720K in RY 2024)
- Service requests will be forwarded to RRA for consideration
- Upon RRA approval of a service request, for which Recology has submitted an estimated cost plus 91% OR to the RRA, Recology permitted to draw total amount approved from the Extraordinary Service Fund
- Service requests must be for periods not to exceed one rate year and not to extend beyond the end of RY 2025
- The balance of the Fund may not fall below zero
- For a service request to be fulfilled, the balance must be sufficient to allow Recology to draw the estimated cost for that service request plus 91% OR from the Fund
- All activity of Fund in applicable period to be reported as a separate appendix in quarterly and annual rate reports
- The actual expenses incurred for each service request, offset by the amount received from the Fund for the requested services, to be included in calculating above- or below-target profit for Balancing Account
- Any unused balance at the end of a rate year will roll over into a separate Capital Expenditure Fund, to be used for approved capital expenses, as a future rate order may direct

Refuse Collection Detail Schedule G.1 <Accrual basis in accounting>		RYE 9/30/23 Actuals	RYE 9/30/24 New Rate Yr 1	
	Schedule	Recology San Francisco	Recology San Francisco	YoY Change
Total Profit Margin-Eligible Expenses		\$ 156,121,370	\$ 158,299,438	\$ 2,178,068
Salaries and Wages	H.1	\$ 47,242,762	\$ 48,482,884	\$ 1,240,122
Payroll Taxes		\$ 3,429,704	\$ 3,519,734	\$ 90,030
Pension and 401 (k) - Pension is cash basis in accounting	H.2	\$ 8,605,390	\$ 8,723,818	\$ 118,428
Health Insurance	H.2	\$ 13,970,157	\$ 14,289,981	\$ 319,824
Workers' Compensation	H.2	\$ 3,757,221	\$ 3,961,867	\$ 204,646
Corporate Administration	O.2	\$ 88,869	\$ 92,135	\$ 3,266
Commitment to Customer	O.2	\$ 72,455	\$ 75,118	\$ 2,663
Sustainability	O.2	\$ 9,434	\$ 9,780	\$ 347
Internal Audit	O.2	\$ 8,407	\$ 8,716	\$ 309
Human Resources	O.2	\$ 47,657	\$ 49,409	\$ 1,751
Finance	O.2	\$ 56,729	\$ 58,813	\$ 2,085
Environmental Compliance	O.2	\$ 13,020	\$ 13,499	\$ 478
Information Technology	O.2	\$ 197,945	\$ 205,220	\$ 7,274
Bad Debt		\$ (334,343)	\$ 36,791	\$ 371,134
O/S Billing Services		\$ -	\$ -	\$ -
Office		\$ 223,521	\$ 231,735	\$ 8,214
Postage		\$ 9,047	\$ 9,379	\$ 332
Professional Services	O.1	\$ 1,780,472	\$ 2,657,148	\$ 876,676
Repairs & Maintenance		\$ 910,519	\$ 873,194	\$ (37,325)
Security & Janitorial		\$ 1,301,304	\$ 1,349,127	\$ 47,823
Taxes		\$ 3,358,399	\$ 3,478,090	\$ 119,691
Telephone		\$ 317,570	\$ 329,241	\$ 11,671
Bridge Tolls		\$ 1,013,927	\$ 1,051,189	\$ 37,262
Building & Facility Repair		\$ 991,954	\$ 1,028,408	\$ 36,454
Depreciation	J.1, J.3	\$ 4,868,400	\$ 4,744,724	\$ (123,676)
Amortization of ZWI Funding For Capital Expenditures		\$ (2,830,700)	\$ (2,830,700)	\$ -
Freight		\$ 6,610,093	\$ 3,052,581	\$ (3,557,512)
Fuel and oil	M.2	\$ 3,961,704	\$ 4,027,178	\$ 65,475
Lease	J.1, J.2	\$ 5,985,657	\$ 6,733,647	\$ 747,990
General and vehicle insurance	K.1	\$ 2,419,405	\$ 2,470,091	\$ 50,686
Licenses & Permits	M.1	\$ 4,545,250	\$ 4,685,676	\$ 140,426
O/S Disposal		\$ 1,221,308	\$ 1,808,712	\$ 587,404
O/S Equipment Rental		\$ 225,448	\$ 233,733	\$ 8,285
Parts	M.1	\$ 1,941,311	\$ 2,012,654	\$ 71,343
I/C Processing & Disposal	L.1, L.2	\$ 26,581,911	\$ 28,092,680	\$ 1,510,769
O/S Processing		\$ -	\$ -	\$ -
Outside Property Rental		\$ 5,300,671	\$ 4,315,323	\$ (985,348)
Intercompany Property Rental	L.1	\$ 2,174,702	\$ 2,174,702	\$ 0
Supplies		\$ 2,263,763	\$ 2,346,956	\$ 83,193
Tires & Tubes	M.1	\$ 174,873	\$ 183,429	\$ 8,556
Utilities		\$ 2,817,480	\$ 2,921,022	\$ 103,542
Contract Services		\$ 102,775	\$ 106,552	\$ 3,777
Other		\$ 685,201	\$ 685,201	\$ -
Total Profit Margin-Eligible Operating		\$ 156,121,370	\$ 158,299,438	\$ 2,178,068
	Agrees to CON's file	\$124,994,209.33	\$125,521,081.63	\$ 526,872

Wind down of the sustainable crushing operations contributed to \$3.5M in reduction of costs

\$800k reduction in O/S property rental is due to the Closure of Pier 94